

SEP 6 1961

Approved For Release 2001/03/02 : CIA-RDP70-00058R000200120158-2

We can hope for a restoration of the comparative advantage to an extent in agricultural trade. We believe the principle of comparative advantage is the criterion of European standards of farm products.

But refer to the more prosaic without having to have exhausted the list. This has solved the problem of import competition from extremely low-wage areas where the technology is in use, such as Japan, Hong Kong, and perhaps India. The problem is that international trade has not adjusted to the existence of a strong comparative advantage in the production of particular items in particular areas. In the low-wage countries the average level of prosperity is relatively quite low, but prosperity in a few industries—textiles, chemicals, transportation—may be nearly as high as the best in the world. There are natural reasons for failure to adjust to such comparative advantages. The advantage has only recently reemerged after the war. In many cases the adjustment has been postponed for a long time by quotas and tariffs. The problem is accentuated in some countries, and thus includes the United States, have been much more liberal than others in accepting the products of these low-wage areas, with the result that the burden of adjustment is concentrated on them.

Therefore we cannot permanently refuse either producers access to our markets. The general prescription of gradualness in trade negotiations is the approach I am suggesting will ease the process of adjustment. Also I suggest trade barriers are reduced by all the members of the area, the burden of adjustment will be broadly distributed and not concentrated for any one country. Perhaps in some cases further measures will be necessary needed to moderate the adjustments. Whether this is so should be the object of international consultation, since it is all-too-easy for each party to discuss the need for its own protection.

Tariff Could Stimulate More Shrimp Fishing

EXTENSION OF REMARKS

HON. RALPH J. RIVERS

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 23, 1961

Mr. RIVERS of Alaska. Mr. Speaker, on August 8, the Committee on Ways and Means of the House of Representatives held a hearing on various bills, including my own H.R. 6424, which would impose a 35 percent ad valorem duty on processed shrimp and limit duty-free entry of unprocessed shrimp annually in an amount equal to imports of shrimp in 1960. Because enactment of this legislation would preserve the domestic shrimp industry and open the door to expansion of Alaska's infant shrimp industry and because I am a sponsor of this legislation, I joined other witnesses in testifying in its support.

Most people are not aware of the vast shrimp potential of the States of the Pacific Northwest. Yet off the coasts of California, Oregon, Washington—and more particularly, Alaska—there exists a potential production which can equal or

exceed the production of the Gulf and South Atlantic States. With an adequate market, Alaska's vast shrimp production capability, estimated at 100 million pounds annually, would someday be realized. Hence, it is not surprising that Alaskans take issue with those who oppose appropriate limitations on the import of foreign shrimp.

Accordingly, for the information of my colleagues, I submit a cogent editorial which appeared in the September 2 issue of the Anchorage Daily Times, and urge support of the legislation in question. The editorial follows:

Tariff Could STIMULATE MORE SHRIMP FISHING

Alaska's budding shrimp industry faces a bleak future if the trend in imports is allowed to continue.

The U.S. Tariff Commission apparently doesn't care. It has reported to Congress that Alaska shrimp are small in size and not very marketable. There is reason to doubt, however, that this was being "honest."

Alaska's shrimps are becoming shrimp rejects in the east. Shrimpers there have been reported jubilant.

The U.S. Fish and Wildlife Service has supported this view in reports on explorations in central Alaska around Kodiak Island and along the Pacific side of the Alaska Peninsula. Russian fishermen have noted the big shrimp resource in the Bering Sea. Japan is actively fishing for shrimp there. There are also shrimp in Prince William Sound and southeastern Alaska.

The Tariff Commission has taken a stand unfavorable to a quota system to protect the U.S. market from foreign imports. It has contended that a limitation would preclude development of shrimp processing for lack of adequate supplies of raw shrimp.

Without a quota there is reason to fear that foreign imports will swamp the U.S. market with ruinous results to all American fishermen.

The domestic market has tripled since shrimp were declared duty free in 1950. In that period, domestic production has increased some, but not as rapidly as imports. Foreign nations supplied 18 percent of U.S. market requirements in 1951, 30 percent in 1957 and an estimated 50 percent in 1959. The number of foreign suppliers increased from 10 countries to 30, and is still rising.

Proponents of the shrimp tariff and quota bill contend that they seek a sound basis for future development. They say it will assure a stable market that will benefit both domestic and foreign suppliers.

Alaska could capture a commanding position in an important industry if her shrimp resources were developed.

Shrimp is now the most valuable seafood caught by U.S. fishermen. Operations in Alaska could produce values in excess of those to the salmon industry.

The Fish and Wildlife Service has published reports showing Alaska shrimp are plentiful and that they tempt and titillate the palate of the average man as well as the gourmet. Nowhere has the service corroborated the statement of the Tariff Commission that they are suitable only for canning.

Those engaged in shrimp processing and marketing have told Congress that the potential for shrimp production in Alaska is substantially larger in pounds than the entire domestic shrimp landings in the Gulf and Atlantic fisheries combined. The Alaska catch rates and potential have been termed unequalled anywhere in the world.

Alaskans constantly talk about broadening the base for their fishing industry. They

will be pleased not to find that the unprocessed shrimp which labor is paid them \$1,000 cents a day and from other countries labor rates are lower.

It would be well for the fishery leaders and State officials to make themselves heard on this point. The legislation in Congress should not be allowed to die because the staff Commission has erred.

Central Intelligence Agency, A Guardian of the National Security

EXTENSION OF REMARKS

HON. PRESCOTT BUSH

OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES

Wednesday, September 6, 1961

Mr. BUSH. Mr. President, the September issue of Firing Line, published by the American Legion, contains an article entitled "Central Intelligence Agency, A Guardian of Our National Security." The Central Intelligence Agency is an organization of which little is really known; but from what I know of it, as a member of the Committee on Armed Services and through my personal contact with many members of that Agency, I believe it has rendered outstanding service for the United States.

I have for 30 years known Allen Dulles, Director of the CIA, who occasionally comes under strong criticism. If something happens to go wrong, the blame is often placed upon him, as it was in the case of the Cuban invasion fiasco. From what I know of that action, I do not believe the blame belongs on his shoulders. However, he is a man who never says anything to defend himself. For that reason he is apt to bear a large amount of unjust criticism. Irrational, brave, dedicated, and brilliant American with a long record of distinguished service to the United States.

The article about the Central Intelligence Agency, published in Firing Line, gives an excellent appraisal of that organization. I ask unanimous consent that it may be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CENTRAL INTELLIGENCE AGENCY, A GUARDIAN OF OUR NATIONAL SECURITY

A strategic bulwark in the United States life and death struggle against the increasing imperialistic threat of International Soviet communism is the Central Intelligence Agency (CIA). Established in 1947 under the provisions of the National Security Act as a successor of the Central Intelligence Group, the CIA is primarily responsible for coordinating the intelligence activities of certain Federal departments and agencies in the interest of protecting the security of the Nation. Among its other important duties, CIA is charged with collecting and evaluating intelligence relating to the national security, and provides for the appropriate dissemination of such intelligence within the Govern-